# Exhibit G

September 23, 2008

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UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

IN RE: PHARMACEUTICAL )

INDUSTRY AVERAGE WHOLESALE )

PRICE LITIGAION, )

MDL NO. 1456

U.S. ex re. Ven-A-Care of ) CIVIL ACTION:

the Florida Keys, Inc., v. ) 01-CV-12257-PBS

Abbott laboratories, Inc., ) Judge Patti B. Saris
et al. No. 06-CV-11337-PBS )

The videotaped deposition upon oral examination of ADMINASTAR FEDERAL BY CHERYL EILER, a witness produced and sworn before me, Paula A. Morgan, Notary Public in and for the County of Hamilton, State of Indiana, taken on the 23rd day of September, 2008, in the offices of National Government Services, 8115 Knue Road, Marion County, Indiana, pursuant to the Federal Rules of Civil Procedure. This deposition was taken on behalf of the United States of America in the above-captioned matter.

Henderson Legal Services, Inc.

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(Pages 484 to 487)

	404		
	484		486
1	A. We	1	Q. And if you had two or more generic drugs
2	MS. RAMSEY: Objection.	2	that fit the description, how did you calculate the
3	A. We, even when we started the database, we	3	fee?
4	still get the hard copy. So we still get the	4	A. You put all that data on a sheet or made
5	monthlies and the annual. And that was a source	5	your calculation, and then you would do the median
6	that was reliable as far as when we would get it	6	of the generics.
7	each month or each quarter.	7	Q. And the median is the middle price
8	Q. And, to your knowledge, did other	8	A. Price.
9	carriers or DMERCs use RedBook?	9	Q in a group, correct?
10	MS. GIULIANA: Objection. Form.	10	A. Yes.
11	A. Yes.	11	Q. If there was only one NDC that fit the
12	<ul> <li>Q. Did you develop an understanding as to</li> </ul>	12	narrative description, what would you do in that
13	whether or not RedBook was a recognized source of	13	situation?
14	pricing information in the drug industry?	14	A. You would use only that fee because
15	MR. HECK: Objection.	15	that's all you had.
16	A. Yes.	16	Q. And what about if there was an even
17	Q. And what was that understanding?	17	number of generics that fit the description? How
18	A. Because	18	would you calculate the median in that case?
19	3	19	A. If you say, for example, you had four
20	•	20	four drugs. You would take number two and three
21	MR. HENDERSON: The objection is noted.	21	and do an average.
22	Go ahead.	22	Q. When you selected the NDCs from the
	485		487
1	A. When CMS gave us the instructions as far	1	RedBook to include in these calculations, I think
2	as how to calculate the drugs, that was a source	2	you said you would select them based on the
3	they gave us. So you went by the sources that they	3	narrative description of the J-code.
4	instructed you to use.	4	A. Yes.
5	Q. Okay. Now, in general, for generic	5	Q. Is that right? Was the narrative
6	drugs, tell us in one sentence or two, very briefly	6	description always perfectly clear for purposes of
7	and we'll discuss it in more detail how you	7	selecting the NDCs?
8	determined the allowed amount for a particular	8	MR. HECK: Objection.
9	drug.	9	A. No.
10	A. When we looked at the product name, as	10	MR. HECK: Form.
11	far as the description from the HCPCS code, you	11	A. No.
12	would look in the RedBook. If it was an uppercase,	12	Q. Sometimes did you have to use some
13	capitalized, or a lowercase, that's how you	13	judgment in selecting the appropriate NDCs?
14	determined if it was a generic or a brand. And	14	A. Yes. And that judgment, I would look at
15	that was the instructions given to us.	15	our Physician's Desk Reference book that lists the
16	Q. And then what did you do with that	16	drug products, gives you information on that. And,
17	information that you got out of the RedBook?	17	also, I would check with our medical director, Dr.
18	A. We then calculated the fee based on the	18	Oleck, if I was not sure
19	narrative description as far as if it stated for	19	Q. All right.
20	five milligrams, ten milligrams. That's the	20	A before I would use
21	products you used in order to calculate your fee.	21	Q. And when you determined pricing for
22	And you used the AWP fee for that.	22	generic drugs, did there come a time when you also

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22 (Pages 544 to 547)

	544	Ī	546
1	correctly?	1	update the date of the footer?
2	A. Yes.	2	A. Yes.
3	Q. Then the next sheet, which is the second	3	MR. HECK: Objection.
4	quarter of 2000, which means there would have been	4	A. A lot of times when I did my
5	two missing arrays in between these two pages, it	5	spreadsheets, I would copy them from one worksheet
6	has the three Dey drugs, all of which appear to be	6	to the next worksheet, and I would not change some
7	the same, with the same price per milligram prices;	7	of my footers.
8	is that correct?	8	Q. Okay.
9	A. Yes.	9	A. I was more interested in getting the
10		10	
11	Q. And then instead of Compumed, the	11	source right and the date that I changed it.
12	second-page array has Alpharma and an indication that the there was a change in the fee for that	12	Q. Yep.
13		l	MR. HENDERSON: Okay. Now I would like
14	particular drug. Do you see that?  A. Yes.	13 14	to ask the stenographer to mark this next document as Exhibit U.S. Eiler 10.
15	Q. And then it has three Roxane drugs, and	14 15	(Exhibit U.S. Eiler 10.) (Exhibit U.S. Eiler 010 was marked
16	those appear to be the same drugs and the exact	16	for identification.)
17		17	-
18	same prices as on the first page; is that correct?  A. Yes.	18	Q. So I've you've been handed what's been marked as Exhibit U.S. Eiler No. 10. Is this
19		19	
20	Q. And then there are two Physician Total Care drugs, which also appear to be exactly the	20	this is a two-page sheet with Bates stamp numbers AWP033-0737 and 0738.
21		21	
22	same as on the first page, and then the median is the same.	22	Ms. Eiler, this has a header at the top that appears to indicate October 2001. What, if
	the same.	22	appears to mulcate October 2001. What, if
	545		547
1	So if one were to reconstruct the two missing	1	anything, does that tell you about the date when
2	arrays that are in between these two, what would	2	this array became effective?
3	you expect to find?	3	A. The October the header being October
4	MS. GIULIANA: Objection. Form.	4	'01 means this is the quarter that I did this data,
5	A. I would expect to find that when I looked	5	looked at this data. When I used the headers, it's
6	at the RedBook, the Alpha I'm sorry. The new	6	based off of the tab that my spreadsheet had on it.
7	product that was on the second page would have been	7	And also by the July 2001 source, that tells me
8	included in one of those RedBooks. And they still	8	that was my October update.
9	would not have had the Compumed listed in the	9	Q. Now, in this array, which appears to
10	RedBook.	10	carry on, onto the second page, this has the three
11	Q. Yep.	11	Roxane drugs that appear to be the same ones we saw
12	A. And I would still have the same products,	12	a little earlier, in an earlier array. And then in
13	as far as what's on these sheets, that were not	13	the column in the panel for brand-name drugs
14	those two that were different.	14	there are three drugs that we haven't seen before
15	Q. Okay. On the second page, the effective	15	in any of the earlier arrays we've talked about,
16	date is shown as April 1 of 2000. And what quarter	16	for Ipratropium Bromide-Novaplus/Roxane. Do you
17	would that indicate that this became effective?	17	see those?
18	A. In my second quarter of 2000.	18	A. Yes.
19	Q. Okay. I see in the footer, in the lower	19	Q. Now, in the in the RedBook, how do you
20	right-hand corner, it has a footer of July 1, 1999,	20	how do you identify what is a brand-name drug
21	which is the same as the footer on the first page.	21	and what is a generic drug?
22	Is this an example where you may have neglected to	22	A. In the RedBook, if it was capitalized,

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23 (Pages 548 to 551)

		ī	
	548		550
1	that meant it was a brand name. If it was smaller	1	determine the status of that drug?
2	case, that meant it was a generic.	2	MS. RAMSEY: Objection.
3	Q. Okay. And if there is a if the	3	A. I didn't look basically on the price
4	RedBook shows a cross-reference to a drug that's	4	because I was looking at whether it was generic or
5	identified in all capital letters, does that	5	whether it was brand. I didn't compare what the
6	indicate whether it's a brand or a generic?	6	two different prices would have been. The only way
7	A. If it was all capital letters, to me,	7	I would have looked any further is if I could not
8	that meant it was a brand.	8	have distinguished whether it was a generic or a
9	Q. Okay. Now, if the if the AWPs for the	9	brand.
10	three Novaplus/Roxane drugs had been and I'm	10	Q. Okay. So in this instance is it fair to
11	looking at the price per milligram AWP, which is	11	say that probably it would not have made any
12	shown on the second page. Can you line up those	12	difference had that price been lower for the
13	columns?	13	Novaplus?
14	A. Uh-huh.	14	MR. HECK: Objection.
15	Q. Instead of if they had been, instead	15	A. As far as the only difference would
16	of \$3.52, if per milligram AWPs had been, say, \$1,	16	have been if it should have been generic instead of
17	what effect, if any, would that have had on the	17	brand and I put it in the wrong column. But other
18	price that you determined for this J-code?	18	than that, no.
19	MR. HECK: Objection.	19	Q. Okay. Just to clarify because I don't
20	MS. GIULIANA: Form.	20	think my question was clear enough.
21	A. It would have made a difference because	21	A. I'm sorry.
22	it would have been lower than the generic. So we	22	Q. And, therefore, your answer may not have
	549		551
1	would have used those prices instead of the	1	been clear enough. Is it your testimony that had
2	generic.	2	the price per milligram of the Roxane Novaplus
3	Q. So if the price per milligram for the	3	products been around a dollar, for example, that
4	Roxane Novaplus drugs had been \$1, what would have	4	probably would not have made any that probably
5	been the allowed amount?	5	would not have caused you to do any additional
6	MR. HECK: Objection.	6	research into whether or not that was a generic or
7	A. It would have been a dollar well, 95	7	a brand?
8	percent of a dollar, so it would be 95 cents.	8	A. No.
9	Q. Okay. And would that allowed amount,	9	MR. HENDERSON: Now I'd like to have the
10	again, have applied to all of the drugs reimbursed	10	stenographer mark this next document as Exhibit
11	under that J-code?	11	U.S. Eiler 11.
12	MR. HECK: Objection.	12	(Exhibit U.S. Eiler 011 was marked
13	A. Yes, for that time frame.	13	for identification.)
14		14	Q. Now we've shown you U.S. Eiler 11, which
15		15	is an array. And, Ms. Eiler, I'll represent to you
16		16	that your summary spreadsheet, which is Exhibit 5,
17		17	indicates that this is an array for the third
18		18	quarter of 2002. And if you look at the header at
19	_	19	the very bottom, in the center of the first page,
20	•	20	what does that indicate?
21		21	A. That this was my spreadsheet for July
22	caused you to do any additional research to	22	2002.

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35 (Pages 596 to 599)

			33 (rages 370 to 377)
	596		598
1	is about. The first one has a Bates number of	1	I'm sorry, the actual arrays, which are in Roxane
2	AWP033-0436.	2	Exhibit 118, it looks like that array has more
3	A. Okay. I must be looking at the wrong	3	prices under the generic column than the one on the
4	Q. All right. Are you looking at the wrong	4	
5		1	previous page; is that right?
6	is all of the ipratropium I'm sorry, 118. I'm	5	A. Yes.
[]	very sorry.	6	Q. Okay. Now, you're indicating, at least
7	A. No, I was looking at 119.	7	in this note, that those prices in the April 2000
8	Q. Yep. And that's my fault. I'm sorry	8	array are not on the RedBook printout that you used
9	about that.	9	for that quarter; is that right?
10	MR. HENDERSON: Okay. Let's start over,	10	A. That's what I've stated, yes.
11	Jared. What entry on this spreadsheet are you	11	Q. Okay. Now, do you know why these
12	referring to again?	12	additional prices would not have been considered in
13	MR. HECK: We're looking at second	13	the AWP033-434 and 435 document?
14	quarter of 2000 on the spreadsheet, which is on	14	A. Without going back and looking at the
15	Page 13 of 16 in U.S. Eiler Exhibit 5. And I'm	15	previous and then looking at the RedBook that I
16	also asking her to look at Roxane Exhibit 118	16	copied, that I don't have in front of me right at
17	once again, my apologies and flip to the page	17	the moment, I would have to compare them to see
18	the first page that indicates an effective date of	18	why.
19	April of 2000.	19	Q. Okay. But it's your understanding, since
20	A. Okay. And that was the AWP	20	going back and looking through these, that the
21	Q. 033-0436.	21	second document or, I'm sorry, the second array
22	A. Okay.	22	in Roxane Exhibit 118 would not have been the one
	597		599
,		,	
1	Q. Okay. Do you see that?	1	you used?
2	A. Yes.	2	A. Correct.
3	Q. Now, I don't know if you recall from last	3	Q. And that's because you compared it to the
4	time, but I asked you because if you look at the	4	RedBook printout that you had for the January 2000
5	next two pages of this exhibit, which is Roxane	5	database; is that right?
6	Exhibit 118, those also have a header of April of	6	A. Correct.
7	2000. Do you see that?	7	Q. Okay.
8	A. Yes.	8	A. And like I had stated when you showed me
9	Q. Okay. And last time you indicated that	9	these, without knowing what was in my folder with
10	one of these documents would have been in the array	10	it, I could not accurately state that that was the
11	but not the other one; is that right?	11	final.
12	A. Yes.	12	Q. Okay. And so you went back and compared
13	Q. Now, if you look at your spreadsheet,	13	it to the folder that you had; is that right?
14	which is, once again, U.S. Eiler Exhibit 5, you	14	A. Yes.
15	indicate in the comments column for the second	15	Q. Okay. Now, I just have probably two more
16	quarter of 2002 that AWP033-0434 to 435 is not	16	questions left for you, and I'm going to ask them
17	final. And you indicate a RedBook printout to look	17	about U.S. Eiler Exhibit 11, which is the last
18	at; is that right?	18	document that Mr. Henderson gave you.
19	A. Sorry. Just a second.	19	MR. HENDERSON: Hang on. Let's find it.
20	Q. Sure.	20	MR. HECK: Sure.
21	A. Yes.	21	A. Okay.
22	Q. Now, if you look at these exhibits or,	22	Q. Okay. Now, if you recall with Mr.

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36 (Pages 600 to 603)

600 602 Henderson -- or I'm sorry. As you recall, Mr. brand. 2 2 Henderson pointed out to you that there are six Q. And that's not the page that we have -entries in the brand name column for Ipratropium 3 that we're looking at right now, though; is that Bromide-Novaplus/Roxane. Do you see those? 4 A. This is the page that you get when you A. Yes. 5 6 6 Q. And he indicated to you that those are look up that difference. It doesn't -- they don't 7 actually generic drugs, but you indicated them as distinguish between upper and lower on the second brand; is that right? 8 page. 9 9 A. Yes. Q. Okay. So you wouldn't have used this 10 Q. Now, you indicated -- and please correct 10 page in particular to determine if something was 11 11 me if I'm wrong. You determined if a drug was branded or generic; is that right? 12 12 branded or generic by seeing if it was all capitals A. Can you repeat that, please. 13 13 in the RedBook; is that right? Q. Sure. The page that's Bates numbered 14 A. Correct. 14 AWP038-0705, which is Page 2 of U.S. Eiler Exhibit 15 15 Q. Now, if you flip to the next page of this 11, you wouldn't have used this page of the RedBook 16 exhibit, it appears that all of the product names 16 to figure out if something was branded or generic; 17 are in all caps; is that right? 17 is that right? 18 18 A. But this was off the database. On the A. I would have compared this to what I had 19 database you have --19 previously, and then I would have used that 20 20 Q. Well -- I'm sorry. Continue. knowledge to determine whether it was generic or 21 21 A. On the database you would look -- you brand because I -have two different files. You have one that lists 22 Q. And I'm sorry. I'm sorry. What do you 601 603 1 all the products that are available and all the 1 mean by compare to what you have done previously? 2 products that are brand. And we would look at the 2 A. When we used -- when we set the fees, we, products that was on the database. They are a 3 at that time, determined whether it was generic or small print. So on the database, when you first 4 brand. So we had no indication unless the RedBook 5 5 look up this product, you have the option of small told us that it changed from a generic to a brand. print or the capital, and the capital was in the 6 So if I was looking at this, based on my sheet 7 7 brand, and the small print was the generics. that I had, I had them listed all as generic -- as 8 Q. Okay. So it would have been on a 8 a brand. Unless it's stated on my main menu screen 9 different page of -- I'm sorry. What you're 9 that it changed to a generic, I would not have saying, if I understand correctly, is that there 10 noticed that. 11 would have been a different prompt or a different 11 Q. Okay. So you wouldn't have changed -- so 12 page in the database that would have shown some 12 if I understand correctly, you would have 13 drug names in lowercase and some in all capitals; 13 determined, the first time a drug was listed, 14 is that right? 14 whether it was branded or generic; is that right? 15 A. As far as on the main menu screen, yes. 15 A. Initially, yes. 16 16 Q. Okay. So you would look at that main Q. And then the only way you would ever 17 menu screen when you determined if something was 17 change that is if you saw some notation in the 18 18 branded or generic; is that right? RedBook that indicated it had changed from branded 19 A. You would look -- you would pull up the 19 to generic or vice versa; is that right? 20 20 one that has all of the listings on it. So the A. Correct. 21 generic -- the one that was smaller case would have 21 MR. HECK: Okay. I think that's all I all products listed, whether it was generic or 22 have for questions. Thank you, Ms. Eiler.

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37 (Pages 604 to 607)

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	604		606
1	THE WITNESS: Thank you.	1	do you recall which errors you corrected on your
2	THE VIDEOGRAPHER: We've got about six	2	own?
3	minutes of videotape left.	3	A. I as far as I noticed the errors or
4	MR. HENDERSON: Does anyone have six	4	Q. Yes.
5	minutes of questions?	5	A. No, because I was keeping track on paper,
6	MS. RAMSEY: Let's go off the record.	6	and I wasn't saying who you know, I didn't keep
7	THE VIDEOGRAPHER: This concludes tape	7	note of whether I noticed it or Katie noticed it.
8	three in the deposition of Cheryl Eiler today.	8	Q. Okay. Anything else with regard to your
9	We're off the record at 12:13.	9	preparation?
10	(A recess was taken.)	10	A. No, ma'am.
11	THE VIDEOGRAPHER: We're back on the	11	Q. We spoke earlier about the sharing
12	record at 1:21. This begins tape number four in	12	arrangement that Region 5 had with respect to
13	the deposition of Cheryl Eiler.	13	pricing. Do you recall that?
14	EXAMINATION,	14	A. Yes.
15	QUESTIONS BY MS. RAMSEY:	15	Q. And I apologize if you said this before,
16	Q. Welcome back, Ms. Eiler. My name is	16	but do you recall which years the sharing
17	Hilary Ramsey, and I represent Abbott Laboratories.	17	arrangement was in place?
18	I have just a few follow-up questions for you.	18	A. I would have to say it was from '94 to
19	First, since your last day of deposition,	19	'97 because in '98 is when we started looking at
20		20	it, the DMERCs, as far as, you know, different.
21	have you done between then and now?	21	Q. Are you aware of any other region that
22	A. The only thing I've done is gone back and	22	had a sharing agreement similar to that in Region
	605		607
1	relook at the worksheet that I had at that time.	1	5?
2	Q. Have you met with your attorney or anyone	2	A. I was only aware of our region.
3	from the Department of Justice?	3	Q. Now, you testified earlier that another
4	A. I talked to Mr. Henderson yesterday.	4	carrier, WPS, was responsible for calculating the
5	Q. Anything else?	5	reimbursement amounts for J3370. Do you recall
6	A. No.	6	that?
7	Q. What about working with the paralegal at	7	A. Yes, ma'am.
8	the Department of Justice?	8	Q. Now, when when WPS was doing the
9	A. No, I haven't worked with her since we	9	calculations for J3370, would you still do your own
10	stopped the last time. Oh, I'm sorry. I	10	calculations for this J-code?
11	apologize. Yes, I did talk to Katie on Thursday,	11	A. When we were doing the shared
12		12	calculations, the only time I would go back and
13	missed typos on my worksheet. But that's all.	13	check another contractor's fee is if I had received
14		14	a question about how was the fee calculated that
15		15	was not one of mine. And that's the only time I
16		16	would go back and research it.
17	<u> </u>	17	Q. Would you look at U.S. Exhibit 5 for
18		18	J3370, for Quarter 3 for 1995. That's on the first
19		19	page. It indicates that the array fee is \$18.81,
20		20	but the comments fee indicates the WPS fee was
21		21	\$7.80. Do you see that?
22		22	A. Yes, ma'am.
~ ~	Q. Do you recall, looking at 0.5. Eller 5,	2 2	A. 1 CS, 111a all1.